



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

DIVISION OF OIL AND GAS

550 West 7th Avenue, Suite 1100
Anchorage, AK 99501-3560
Main: 907-269-8800
Fax: 907-269-8939

February 11, 2022

Keri Iles
Environmental Specialist – Land Use
Hilcorp North Slope
3800 Centerpoint Drive #1400
Anchorage, Alaska 99503

**RE: LONS 00-001, Hilcorp North Slope, Prudhoe Bay Unit, L Pad, Expansion Unit
Plan of Operations Amendment Decision.**

Dear Ms. Iles:

The Alaska Department of Natural Resources, Division of Oil and Gas (Division), in accordance with Alaska Statute 38.05 and Alaska Oil and Gas Leasing Regulations (11 AAC 83) grants authorization to conduct activities on state lands as proposed in the Prudhoe Bay Unit (PBU) Plan of Operations (Plan) amendment request dated December 22, 2021, for the above referenced project.

Scope:

Hilcorp North Slope (HNS) is requesting authorization to expand L Pad in the Prudhoe Bay Unit by 3.7 acres to accommodate 15 new wells. Approximately 35,000 cubic yards of gravel will be placed on tundra on the west side of the existing L Pad. The new wells will be a combination of producers and injectors for voidage replacement and waterflood enhanced oil recovery. Additional project activities will include the installation of well houses and associated infrastructure for the new wells, relocation of a divert manifold skid from Z Pad to L Pad, installation of pilings to support the divert manifold skid, installation of a module to house the hydraulic surface safety valve control panel and corrosion inhibitor control panel, installation of a refrigeration unit to support hybrid thermosyphons, and installation of tie-in piping and electrical cables. The purpose of this project is to accommodate new wells for increased production at L Pad.

Plan activities include:

- Expand L Pad by placing approximately 35,000 cubic yards of gravel on tundra.
- Drill 15 new wells.
- New well houses and associated infrastructure at new wells.
- Relocate divert manifold skid from Z Pad in PBU to L Pad.
- Install required pilings to support divert manifold skid.
- Install module to house hydraulic surface safety valve control panel and corrosion inhibitor control panel.
- Install refrigeration unit to support hybrid thermosyphons at divert manifold skid VSMs and wellhouses.

- Install tie-in piping and electrical cabling from the new wells to existing infrastructure and new divert manifold skid.

Location information:

PBU

L Pad

Meridian: Umiat Township: 12N Range: 11E Section: 34

Latitude, Longitude: 70.35019 N, -149.3279 W

ADL: 028239

L Pad is located approximately six miles northeast of the Kuparuk Airstrip.

Agency review:

The Division provided a review and comment opportunity for the activities considered for authorization under this decision. The following government entities were notified on January 4, 2022, for comment on the Plan: DNR: Division of Mining, Land and Water (DMLW), Department of Environmental Conservation (DEC), Alaska Department of Fish and Game (ADF&G), US Army Corps of Engineers (USACE), and the North Slope Borough (NSB). No comments were received.

Public Notice:

Public notice of the Plan and opportunity to comment, per AS 38.05.035, was posted on the State of Alaska's online public notice web site and DNR's web site, and faxes of the public notice were sent to the Nuiqsut, Deadhorse, and Barrow post offices on January 10, 2022. Additionally, public notice was published in the Anchorage Daily News on January 11, 2022, and January 25, 2022, and the Arctic Sounder on January 13, 2022, and January 20, 2022. The deadline for comments was February 10, 2022, at 4:30 pm Alaska time. No comments were received.

Conditions/Stipulations:

A certified As-Built survey of the activity shall be provided within one year of placement of the improvement. This As-Built must contain a hard copy, as well as a digital GIS file containing a Shapefile or ESRI Feature Class.

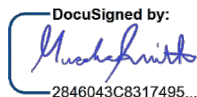
Please attach this amendment approval with the original decision. This unit operations amendment approval is issued in accordance with Alaska Statute 38.05, Alaska Administrative Codes 11 AAC 83.346 and 11 AAC 83.303. The Division reviewed this amendment under the unit regulation for the Plan, 11 AAC 83.346, and considers the factors set forth in 11 AAC 83.303(a) and (b). The amendment was also evaluated against the PBU agreement for conformance.

This approval signifies only that the State of Alaska has no objection to the operations outlined in the Plan amendment application. It does not constitute certification of any property right or land status claimed by the applicant, nor does it relieve the applicant of responsibility to obtain approvals or permits from other persons or governmental agencies that may also be required. All stipulations contained in the original lease and subsequent Plan approvals remain in full force and effect.

If activities have not commenced, this approval expires on February 11, 2025. Failure to comply with the terms and conditions outlined in the lease, the attached stipulations, and this authorization may result in revocation of this unit operations approval.

Any questions or concerns about this amendment may be directed to Natural Resource Specialist Ashley Ethridge at 907-269-8815 or emailed to ashley.ethridge@alaska.gov.

Sincerely,

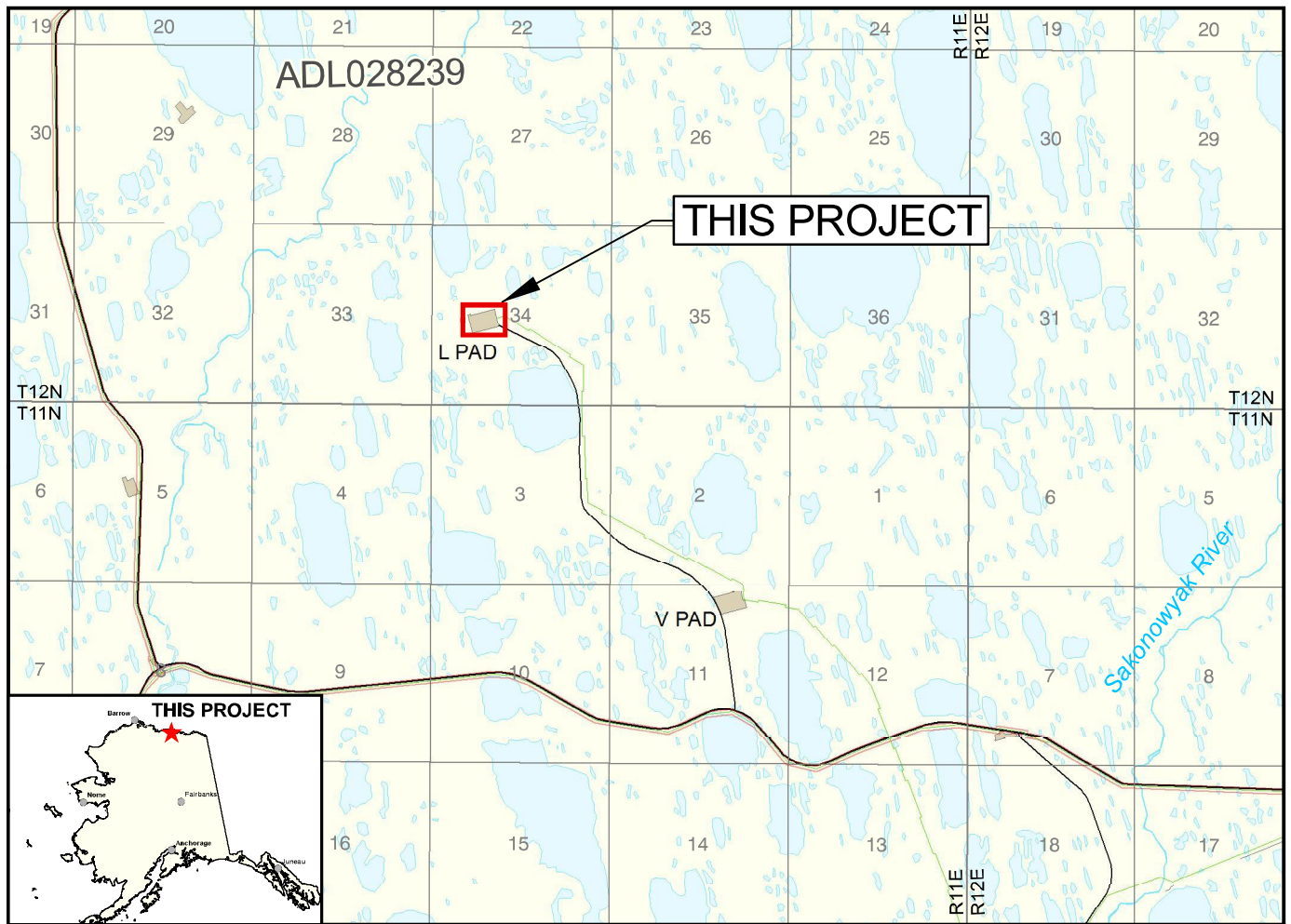
DocuSigned by:

2846043C8317495...

Graham Smith
Petroleum Land Manager

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of "issuance" of this decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. Under 11 AAC 02.030, appeals and requests for reconsideration filed under 11 AAC 02 must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a) and (b). This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st calendar day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

Attachments: Figures 1-3
2018 North Slope Mitigation Measures

ecc: DOG: James Hyun, Mark Henspeter, Jacob Rowland, Alex Zinck, Heather Beat, Ryan King, and SPCO Records
DMLW: Northern Region Office, SAIL Section, and Henry Brooks
ADF&G: Maria Wessel, Audra Brase, and Chelsea Clawson
ADEC: Laurie Silfven and DEC Water Oil and Gas
NSB: Planning Permitting
Other: USACE



This map is based on U.S.G.S quad Beechey Point (B-4)
and on the Unit Operator's Facility Maps.



PROJECT LOCATION:

PRUDHOE BAY UNIT - L PAD

NAD83

LAT. = 70° 21' 0.678" / DD 70.350188

LONG. = -149° 19' 40.366" / DD -149.327880

ALASKA STATE PLANE ZONE 4, NAD83

X = 1,723,198.15 FEET

Y = 5,977,974.76 FEET

ADL # 028239 SEC. 34 T12N, R11E UMIAT M.

DATUM: MEAN SEA LEVEL

ADJACENT PROPERTY OWNER:
STATE OF ALASKA

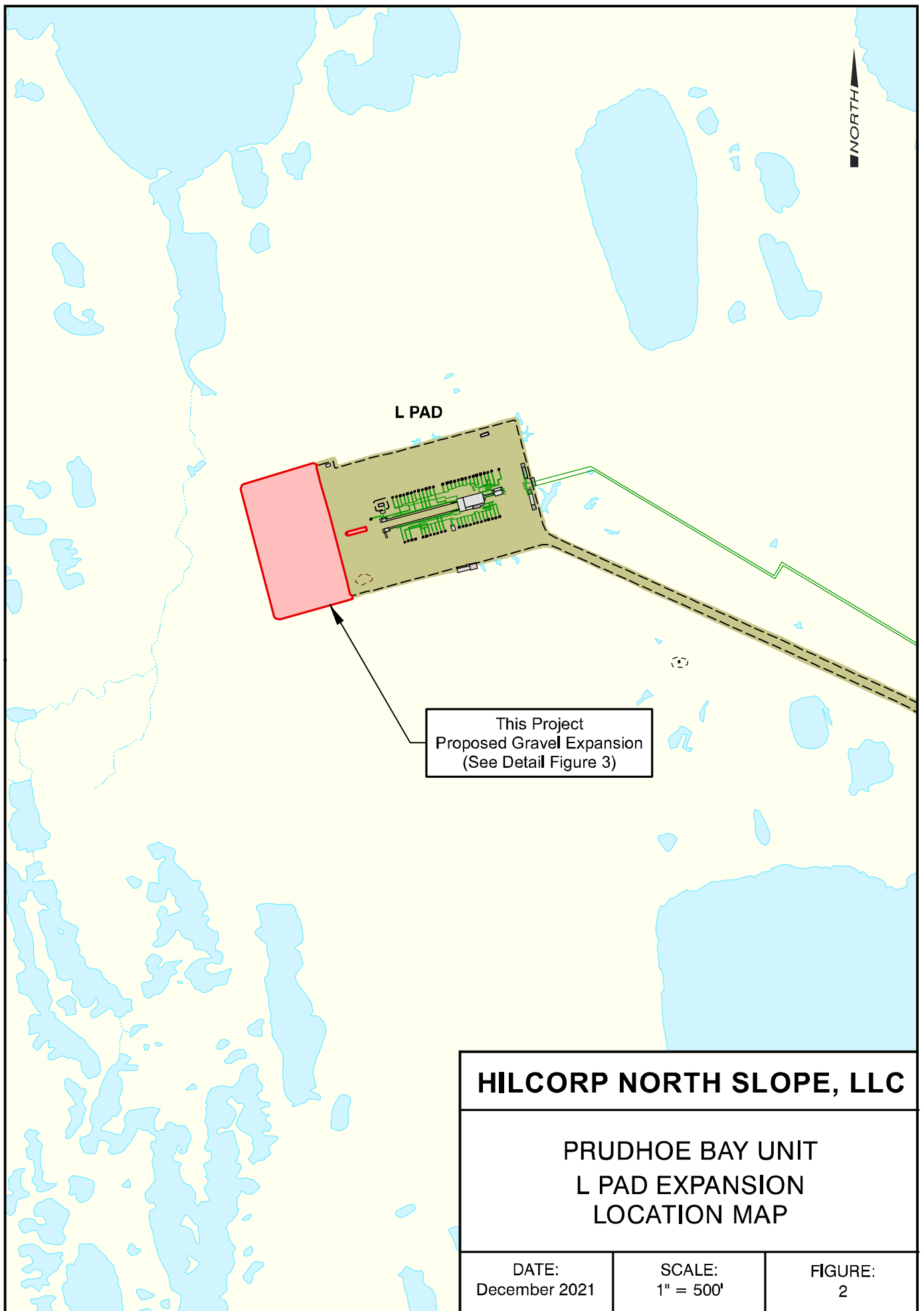
HILCORP NORTH SLOPE, LLC

PRUDHOE BAY UNIT
L PAD EXPANSION
VICINITY MAP

DATE:
December 2021

SCALE:
1" = 1 Mile

FIGURE:
1



- Proposed New Well
- Proposed New Well Line
- Proposed Shoulder
- Proposed Module
- Proposed Pad Expansion

NORTH

This Project
Pad Surface
Gravel Expansion
(3.65 Acres)

This Project
New North Well Row

This Project
New Well Lines

This Project
Refrigeration Unit

This Project
Hydraulic & Inhibitor
Control Panel

This Project
506D Skid

This Project
New South Well Row

This Project
25' Spacing
Every Other Well

This Project
15' Spacing Well

HILCORP NORTH SLOPE, LLC

PRUDHOE BAY UNIT PHASE I L PAD GRAVEL EXPANSION DETAIL MAP

DATE:
December 2021

SCALE:
1" = 150'

FIGURE:
3

lp17008_fig3.mxd

530'

300'